April 18, 1978

Memo to File:

Re: Atlas Minerals Calliham - Sage Mines San Juan County ACT/037/023

These operations were inspected by Jim Smith and Mike Thompson of the Division and Dean Roberts, Mike Hollingshead and Jon Hunerjager of Atlas Minerals on April 13, 1978.

The Calliham site is located in a pinyon-juniper and big sagebrush association. The surface facilities include one (1) portal, two (2) vent-holes, one (1) powder magazine, four (4) metal buildings on the pad, and two (2) trailers on an adjacent living area.

The Sage site is in a small draw with a pinyon-juniper and oakbrush association. The surface facilities consist of one (1) portal, one (1) vent hole, one (1) powder magazine, two (2) metal buildings, and a pad with an ore stockpile and waste dump. The plans are to extend the waste dump a few hundred feet further down the draw, while remaining out of the drainage, and to drive an additional decline. Both these sites, along with the Mining and Reclamation Plan, appear to have no problems so should be granted tentative approval and published for public comment upon receiving the ammendment to drive the new decline.

jus

JAMES W. SMITH RECLAMATION SOILS SPECIALIST

JWS/jt